

## GOVERNOR GREG ABBOTT

August 16, 2023

Kathleen Jackson, P.E. Interim Chair, Public Utility Commission of Texas 1701 North Congress Avenue, 7th Floor Austin, Texas 78711

Dear Ms. Jackson:

As our state grows, so must our electric power generation. To maximize power grid reliability, the Public Utility Commission of Texas (PUCT) should consider all forms of dispatchable power, including nuclear energy. In particular, the PUCT should evaluate advanced nuclear reactors to determine if they can provide safe, reliable, and affordable power to our grid.

I instruct the PUCT to establish a working group to study and plan for the use of advanced nuclear reactors in Texas. This working group should focus on understanding the state's role in deploying and using advanced nuclear reactors; consider all potential financial incentives available; determine nuclear-specific changes needed in the Electric Reliability Council of Texas (ERCOT) market; identify any federal or state regulatory impediments to development; and identify how the state can streamline and accelerate permitting for the building of advanced nuclear reactors in Texas. The working group should also engage Texas supply chain manufacturers to foster homegrown development of this technology in our state.

The working group should include and coordinate with stakeholders with applicable experience, relevant state agencies and institutions of higher education, appropriate federal agencies, and current and potential future market participants in order to best understand how Texas can encourage the timely implementation of advanced nuclear reactors. Further, I direct the working group to identify any federal incentives available for the state and stakeholders to access and utilize. Additionally, the working group should coordinate with ERCOT to begin solving the technical challenges of incorporating advanced nuclear energy into the ERCOT grid.

Foundational to these charges is the safety of Texas communities, and it is critical that this report address advanced nuclear reactor safety. Finally, I charge the working group to submit a plan and recommendations to my office by December 1, 2024, outlining how Texas will become the national leader in using advanced nuclear energy.

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Nuclear energy is a proven, reliable, and dispatchable generation resource. It will become even more critical as Texas' need for reliable power continues to grow. The State of Texas must plan now to best harness these new advanced technologies and ensure the future of the Texas grid and our position as the energy capital of the world.

Specifically, I ask Commissioner Jimmy Glotfelty to lead this effort as he is already a leader in this area. Please coordinate closely with my office as your work progresses. Thank you for your commitment and service to Texas.

Sincerely,

Greg Abbott Governor

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